

Co-Chair Proposal: Special Education

WPU Add-on Formula Program Questions from Recent Legislation

October 19, 2021 | Public Education Appropriations Subcommittee

Proposed Subcommittee Action

The Special Education – WPU Add-on Formula was not part of Senate Bill 142, “Public Education Funding Amendments” from the 2021 General Session. As such, no report to the Executive Appropriations is required on these items. The co-chairs included this as an interim study item for the subcommittee and the following items are meant to inform future legislation should a bill be introduced; no direct action is required of the subcommittee.

Prevalence Limit

Additional study is needed to determine if the two-factor prevalence limit in the formula should be maintained. The 12.18% limit on special education students when compared to total student population may be too low, particularly for small and rural school districts. Once enrollment estimates are available this fall, staff will estimate the cost of the following:

1. Eliminating the limit that special education student growth cannot exceed general student growth in a school district.
2. Increasing the general “Percent of Population” limit from 12.18% to 14% for all districts and 20% for school districts in counties of the 4th- 6th class.

The subcommittee can review cost estimates during the 2022 General Session and weigh options.

Add-on Growth Factor

Proposed formula changes sought to modify the way student growth is calculated by adjusting the years used in a rolling average. This change increases the cost of enrollment growth in the initial year but stabilizes to the new methodology in subsequent years. While the change may distribute Add-on funding to LEAs experiencing growth sooner, it does not change the relative cost differential applied to special education students.

The subcommittee can review the cost of this policy change should it be proposed during the 2022 General Session.

Funding Restrictions

Some questions remain on clearly defining issues/problems in special education funding. Are the restrictions on using state special education funding too restrictive on LEAs? If so, what issues arise in easing restrictions? What restrictions must remain in place?

This follows the concept introduced in the Students At-Risk – WPU Add-on program by providing a certain level of guardrails around the funding and allowing latitude of action by LEAs within those parameters.

Background

Legislators have raised questions on how special education is funded in the state, specifically the Special Education – WPU Add-on program. House Bill 105 (2021 GS) proposed amending the Special Education Add-on statute in two ways: (1) to change the way growth WPU's are calculated; and (2) to increase prevalence limits for special education students relative to the general student population. Other factors mixed into the conversation on special education funding include: (a) how well the growth factor adjusts for costs; (b) flexibility in the use of funding; and (c) the impact high-cost, low-incident children have on special education programs.

Prevalence Limit

Growth in SpEd WPUs cannot exceed the following for each school district. SpEd enrollment in charter schools is not constrained.

1. 12.18% of total LEA ADM (Total Population), and
2. Current years student fall enrollment growth.

States use several mechanisms to limit growth of SpEd students relative to the general student population to discourage over-identification of students and control costs. Currently, 16 school districts exceed the prevalence limit ranging from 12.23% to 16.87%. Under the proposed limits, most school districts move under the respective limits. See the table below for details.

School District Special Education Prevalence Limits			
2019-2020 School Year			
Alpine District	9.60%	Park City District	6.79%
Beaver District	13.39%	Piute District	16.02%
Box Elder District	10.54%	Rich District	12.57%
Cache District	10.98%	San Juan District	12.97%
Carbon District	14.59%	Sevier District	11.97%
Daggett District	13.18%	South Sanpete District	12.72%
Davis District	11.39%	South Summit District	8.34%
Duchesne District	15.09%	Tintic District	10.76%
Emery District	16.87%	Tooele District	10.79%
Garfield District	11.45%	Uintah District	11.67%
Grand District	14.19%	Wasatch District	7.71%
Granite District	11.73%	Washington District	12.33%
Iron District	10.59%	Wayne District	10.40%
Jordan District	11.08%	Weber District	12.37%
Juab District	12.87%	Salt Lake District	12.02%
Kane District	10.26%	Ogden City District	12.01%
Millard District	13.75%	Provo District	10.08%
Morgan District	10.12%	Logan City District	11.57%
Nebo District	12.23%	Murray District	13.13%
North Sanpete District	11.77%	Canyons District	10.53%
North Summit District	11.10%	State	11.47%

Add-on WPU Growth Factor

Student growth is calculated using a formula designed to provide stability and predictability in funding to local education agencies (LEAs). Each year, SpEd WPUs are calculated using a foundation + growth model. WPUs each year cannot fall below the foundation.

Growth WPUs are calculated using the greater of: (a) total special education average daily membership (ADM) over the previous 5 years; or (b) prior-year SpEd ADM plus weighted growth. Weighted growth is determined by comparing the change in SpEd ADM 2 years ago to 3 years ago. Additional WPUs generated through growth receive the 1.53 WPU add-on.

Finally, growth WPUs are subject to Prevalence Limit constraints described in Item 1.